

1                                    **ARIZONA DEPARTMENT OF FINANCIAL INSTITUTIONS**

2    In the Matter of the Money Transmitter License  
3    of:

No. 06F-BD038-BNK

4    **DOLEX DOLLAR EXPRESS, INC.**  
5    700 Highlander #450  
6    Arlington, Texas 76015

**CONSENT ORDER**

Petitioner.

7            On March 10, 2006, the Arizona Department of Financial Institutions ("Department") issued  
8    a Notice of Hearing alleging that Petitioner violated Arizona law. Wishing to resolve this matter in  
9    lieu of an administrative hearing and without admitting liability, Petitioner consents to the entry of  
10   the following Order.

11                                    **DEPARTMENT'S FINDINGS OF FACT**

12            1.     Petitioner Dolex Dollar Express, Inc. ("Dolex") is a Texas corporation authorized to  
13    transact business in Arizona as a money transmitter, license number MT# 0902964, within the  
14    meaning of A.R.S. §§ 6-1201, *et seq.* The nature of Dolex's business is that of engaging in the  
15    business of receiving money for the transmission of or transmitting money within the meaning of  
16    A.R.S. § 6-1201(11)(b).

17            2.     Raul Limon ("Mr. Limon") is the Chief Executive Officer of Dolex

18            3.     On March 22, 2005, the Department conducted an examination of the money  
19    transmitter business of Dolex. As a result of the examination, the Department made the following  
20    findings:

21                    a.     Dolex failed to report the termination and change of branch manager in three  
22    successive quarterly reports and failed to file the required personal history statement(s) with  
23    the Superintendent;

24                    b.     Dolex failed to report the termination and change of responsible individual in  
25    three successive quarterly reports and failed to file the required personal history statement(s)  
26    with the Superintendent;

1 c. Dolex failed to maintain transaction records sufficient for the Superintendent  
2 to identify those employees who may have conducted the transactions, when fifty-eight (58)  
3 of their Arizona employees used different identities;

4 d. Transaction records containing false employee identification information were  
5 created and maintained by Dolex and/or fifty-eight (58) of its Arizona employees used at  
6 least one hundred twenty-two (122) different fictitious identities; and

7 e. Dolex failed to make records available to the Superintendent regarding  
8 lawsuits in which they or their responsible individual, officers, or directors had been named,  
9 and once the Department learned of a pending lawsuit during its examination, several  
10 requests were made before the information was provided to the Department. The lawsuit,  
11 *Zalesky, et al. v. DolEx Dollar Express, Inc., et al.*, ("Zalesky"), No. CV2005-090451, was  
12 filed in the Maricopa County Superior Court on February 2, 2005, by former Dolex  
13 employees Rene Zalesky and Adriana D'Acha, alleging Wrongful Termination. The  
14 Department has learned that on March 17, 2005, the *Zalesky* lawsuit was removed to the  
15 United States District Court, for District of Arizona, No. 05-CV-0819-PHX-SRB.

16 4. Dolex, upon discovering that multiple identities were used by Arizona employees in  
17 contravention of Dolex's policies and instructions, and prior to the Department's examination,  
18 immediately and of its own volition terminated the employment of supervisory personnel.

19 5. Based upon the above allegations, the Department issued and served upon Dolex an  
20 Order to Cease and Desist; Notice of Opportunity for Hearing; Consent to Entry of Order ("Cease  
21 and Desist Order") on January 13, 2006.

22 6. On February 13, 2006, Dolex filed a Request for Hearing to appeal the Cease and  
23 Desist Order disputing each of the Department's Findings of Fact and Conclusions of Law.

24 7. Dolex has, and in some instances prior to any discovery by the Department had,  
25 voluntarily taken action with respect to the issues surrounding the Department's allegations and has  
26 ...

1 complied with the Department's requests. However, such findings do not waive any provisions of  
2 the Order.

### 3 DEPARTMENT'S CONCLUSIONS OF LAW

4 1. Pursuant to Title 6 and Title 32, Chapter 12 of the Arizona Revised Statutes, the  
5 Superintendent has the authority and duty to regulate all persons engaged in the money transmitter  
6 business and with the enforcement of statutes, rules and regulations relating to money transmitters.

7 2. By the conduct set forth in the Department's Findings of Fact, the Department finds  
8 that Dolex has violated the money transmitter statutes and rules as follows:

9 a. A.R.S. § 6-1211 by failing to report the termination and change of branch  
10 manager in three successive quarterly reports and failing to file the required personal history  
11 statement(s) with the Superintendent;

12 b. A.R.S. § 6-1211 by failing to report the termination and change of responsible  
13 individual in three successive quarterly reports and failing to file the required personal  
14 history statement(s) with the Superintendent;

15 c. A.R.S. § 6-1215(B) by failing to maintain transaction records sufficient for the  
16 Superintendent to identify those employees who may have conducted the transactions;

17 d. A.R.S. § 13-2317(B) by creating and maintaining transaction records of Dolex  
18 and/or its employees that contain false employee identification information; and

19 e. A.R.S. § 6-1241(H) by failing to make records available to the  
20 Superintendent.

21 3. The Cease and Desist Order of January 13, 2006 is superseded by this Order entered  
22 with the consent of Dolex.

23 4. The cited violations constitute grounds for the imposition of a civil money penalty  
24 pursuant to A.R.S. § 6-132 and the issuance of an order directing Petitioner to cease and desist from  
25 the violative conduct and to take the appropriate affirmative actions, within a reasonable period of  
26 ...

1 time prescribed by the Superintendent, to correct the conditions resulting from the unlawful acts,  
2 practices, and transactions, pursuant to A.R.S. § 6-137.

3 **ORDER**

4 1. Dolex shall correct all violations set forth in the Department's Findings of Fact and  
5 Conclusions of Law as follows:

6 a. Dolex shall maintain its existing policy that employees discovered to be using  
7 false identities will be dealt with in accordance with the laws of the United States and the  
8 State of Arizona;

9 b. Dolex shall, within one hundred eighty (180) days, maintain policies,  
10 procedures, and supervision designed to prevent a recurrence of the listed violations;

11 c. Dolex will attempt to obtain the actual identity of any future employees  
12 discovered to be using false documentation or identities and to maintain a record of any  
13 transactions conducted so that the employee conducting the transaction can be identified;

14 d. Dolex will provide to the Superintendent all of the requested records and  
15 information pursuant to A.R.S. § 6-1241(H);

16 e. Dolex will report all changes of its responsible individual and will file any  
17 required personal history statement pursuant to A.R.S. § 6-1211;

18 f. Dolex will report all changes of its branch managers and will file any required  
19 personal history statement pursuant to A.R.S. § 6-1211; and

20 g. Dolex shall attempt to verify the Social Security Numbers of all employees  
21 within ten (10) days of their employment.

22 2. Dolex shall pay to the Department a civil money penalty in the amount of two  
23 hundred thousand dollars (\$200,000.00) on July 3, 2006.

24 3. The provisions of this Order shall be binding upon Dolex, its employees, agents and  
25 other persons participating in the conduct of the affairs of Dolex.

26 ...

4. This Order shall become effective upon service, and shall remain effective and enforceable until such time as, and except to the extent that, it shall be stayed, modified, terminated or set aside.

SO ORDERED this 9th day of June, 2006.

Felicia Rotellini

Felecia A. Rotellini  
Superintendent of Financial Institutions

### CONSENT TO ENTRY OF ORDER

1. Petitioner acknowledges that it has been served with a copy of the foregoing Findings of Fact, Conclusions of Law, and Order in the above-referenced matter, has read the same, is aware of its right to an administrative hearing in this matter, and have waived the same.

2. Petitioner admits the jurisdiction of the Superintendent and consents to the entry of the foregoing Order. Petitioner acknowledges that this Order is entered in lieu of an administrative hearing and is not an adjudication of the merits of the case.

3. Petitioner states that no promise of any kind or nature has been made to induce it to consent to the entry of this Order, and that it has done so voluntarily. Petitioner's execution of this Order precludes the Department from any further action against Dolex arising out of or relating to the Department's Findings of Fact and Conclusions of Law set forth above. Nothing in this Order, nor any act (including, but not limited to, the execution of this Order) of Dolex shall be treated, construed, or deemed as an admission by Dolex of any liability, fault, responsibility, or guilt of any kind, all such liability, fault, responsibility, and guilt of any kind being expressly denied.

4. Petitioner acknowledges that the acceptance of this Order by the Superintendent is solely to settle this matter and does not preclude this Department, any other agency or officer of this state or subdivision thereof from instituting other proceedings as may be appropriate now or in the future.

5. Raul Limon, signing on behalf of Dolex Dollar Express, Inc., represents that he is the Chief Executive Officer and as such, has been authorized by Dolex to consent to the entry of this Order on its behalf.

6. Petitioner waives all rights to seek judicial review or otherwise to challenge or contest the validity of the Cease and Desist Order or Notice of Hearing.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2006

By:

Raul Limon, Chief Executive Officer  
Dolex Dollar Express, Inc.

ORIGINAL of the foregoing filed this 9<sup>th</sup>  
day of June, 2006, in the office of:

Felecia A. Rotellini  
Superintendent of Financial Institutions  
Arizona Department of Financial Institutions  
ATTN: June Beckwith  
2910 N. 44th Street, Suite 310  
Phoenix, AZ 85018

COPY mailed same date to:

Daniel Martin, Administrative Law Judge  
Office of the Administrative Hearings  
1400 West Washington, Suite 101  
Phoenix, AZ 85007

Craig A. Raby, Assistant Attorney General  
Office of the Attorney General  
1275 West Washington  
Phoenix, AZ 85007


Robert D. Charlton, Assistant Superintendent  
Stephen M. Rosenthal, Senior Examiner  
Arizona Department of Financial Institutions  
2910 N. 44th Street, Suite 310  
Phoenix, AZ 85018

1 AND COPY MAILED SAME DATE by  
2 Certified Mail, Return Receipt Requested, to:

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4 Dolex Dollar Express, Inc.  
5 700 Highlander #450  
6 Arlington, TX 76015  
7 Petitioner

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21 952483 v.3; CPA05-355